

CANADIAN WESTINGHOUSE COMPANY, LIMITED

TWENTY-THIRD ANNUAL REPORT

DECEMBER 31ST, 1926

DIRECTORS

H. H. WESTINGHOUSE, CHAIRMAN OF THE BOARD

PAUL J. MYLER, PRESIDENT

L. A. OSBORNE, VICE-PRESIDENT

F. A. MERRICK, VICE-PRESIDENT

N. S. BRADEN, VICE-PRESIDENT

JOHN F. MILLER

T. AHEARN

CHARLES A. TERRY

SIR JOHN M. GIBSON, K. C. M. G.

GENERAL GUY E. TRIPP

H. U. HART, GENERAL MANAGER AND CHIEF ENGINEER

H. M. BOSTWICK, MANAGER OF SALES

C. H. O. POOK, MANAGER OF WORKS

GEORGE R. KERR, TREASURER

W. E. SPRAGUE, SECRETARY

PRINCIPAL OFFICE AND WORKS, HAMILTON, ONTARIO

SALES OFFICES

MONTREAL, QUE.

TORONTO, ONT.

WINNIPEG, MAN.

HALIFAX, N. S.

OTTAWA, ONT.

CALGARY, ALTA.

VANCOUVER, B. C.

FORT WILLIAM, ONT.

EDMONTON, ALTA.

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CANADIAN WESTINGHOUSE COMPANY, LIMITED

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DECEMBER 31st, 1926

The Directors submit herewith the customary Balance Sheet of the Company at the close of the fiscal year ended December 31st, and a statement of the Profit and Loss Account. These show earnings for the year amounting to \$1,796,741.79, from which the sum of \$250,000 has been written off for depreciation of property and plant; a provision made of \$140,000 for the payment of Dominion Taxes for 1926, and \$40,000 has been transferred to the Pension Fund, leaving net profits of \$1,366,741.79.

Dividends at the rate of eight per cent. and an extra dividend of two per cent. were paid, amounting to \$743,290.00, leaving a balance of \$623,451.79 carried forward to Profit and Loss, which account shows as of December 31st, 1926, a surplus of \$4,244,993.04.

The foregoing figures show an improvement over those for the previous year commensurate with the general betterment of commercial conditions during 1926, and were brought about not through spasmodic expansion of any particular branch of your Company's business but through normal healthy increase of activity in almost every Department.

Restoration of public confidence and more stable conditions generally have been undoubtedly brought about to some extent by the decisive result of the last Dominion elections. The consequent improvement in business, and in the traffic and earning figures of the railways, has, in turn, tended to further inspire faith in the immediate future.

Dealing more particularly with your Company's activities, the electrical equipment of new pulp and paper plants and of extensions to existing plants was responsible for a fair share of our total business, coupled with the trend towards the development and operation of power plants by these companies not only for their own purposes but for the sale of power to others. There was some activity in street railway equipment and an increased volume of orders was secured by the Air Brake Department; but speaking generally, the total results can best be analyzed by the statement that all the various branches of our Company's operations were on the up-grade during the year. A substantial amount of business booked in 1926 is being carried forward in the shape of unfilled orders for 1927 delivery.

During the year just closed, greater efficiency has been brought about in the Company's organization tending to further improve our former excellent record for meeting deliveries promptly, without involving the slightest departure from the furnishment of apparatus in strict keeping with our reputation for engineering skill in design and high quality of workmanship; all of which has been a large factor in the continued success of our sales efforts.

All inventories taken into the Balance Sheet have, as usual, been verified by physical count and priced at the lower of either cost or market value.

The Board wishes to again place on record its appreciation of the loyal and efficient services of the supervising and operating forces in all Departments throughout the year.

By Order of the Board,

H. H. WESTINGHOUSE,
Chairman

ABSTRACT OF FINANCIAL STATEMENT

FOR FISCAL YEAR ENDED DECEMBER 31ST, 1926

GENERAL BALANCE SHEET

ASSETS:—

CASH	-	-	-	-	-	\$1,902,702.66	
DOMINION GOVERNMENT BONDS, ETC.	-	-	-	-	-	1,206,820.38	
ACCOUNTS AND BILLS RECEIVABLE	-	-	-	-	-	2,123,154.73	
PROPERTY AND PLANT							
Hamilton:—Real Estate; Factories and Office Buildings; Machinery; Tools and Equipment, etc.	-	-	-	-	\$5,122,599.28		
District Offices:—Real Estate and Buildings	-	-	-	-	199,348.82		
Patents, Rights and Licenses	-	-	-	-	500,000.00		
					<u>\$5,821,948.10</u>		
Written off for Depreciation	-	-	-	-	250,000.00	5,571,948.10	
INVENTORY OF MATERIALS AND PRODUCTS ON HAND INCLUDING WORK IN PROCESS, LESS COLLECTIONS ON ACCOUNT							
	-	-	-	-	-	3,104,336.56	
INSURANCE UNEXPIRED AND TAXES PAID IN ADVANCE	-	-	-	-	-	27,711.99	\$13,936,674.42

LIABILITIES:—

CAPITAL STOCK							
Authorized	-	-	-	-	\$10,000,000.00		
Issued	-	-	-	-	-	\$7,432,900.00	
CURRENT ACCOUNTS PAYABLE	-	-	-	-	-	906,521.13	
DIVIDEND NO. 89 PAYABLE JANUARY 1ST, 1927	-	-	-	-	-	297,316.00	
CONTRACTS IN PROGRESS	-	-	-	-	-	314,944.25	
RESERVE FOR DEPRECIATION	-	-	-	-	-	600,000.00	
PROVISION FOR DOMINION TAXES, 1926	-	-	-	-	-	140,000.00	
PROFIT AND LOSS ACCOUNT	-	-	-	-	-	<u>4,244,993.04</u>	<u>\$13,936,674.42</u>

PROFIT AND LOSS ACCOUNT

BALANCE BROUGHT FORWARD JANUARY 1ST, 1926	-	-	-	-	-	\$ 3,621,541.25	
EARNINGS, FISCAL YEAR ENDED DECEMBER 31ST, 1926					\$1,796,741.79		
Written off for Depreciation	-	-	-	-	\$250,000.00		
For Dominion Taxes, 1926	-	-	-	-	140,000.00		
To Pension Fund	-	-	-	-	40,000.00	430,000.00	
NET EARNINGS	-	-	-	-	-	1,366,741.79	
LESS DIVIDENDS, 1926	-	-	-	-	-	743,290.00	623,451.79
BALANCE CARRIED FORWARD JANUARY 1ST, 1927	-	-	-	-	-	-	<u>\$ 4,244,993.04</u>

PAUL J. MYLER,
President

N. S. BRADEN,
Vice-President

AUDITOR'S CERTIFICATE

I certify that I have audited the books and accounts of the Company for the year ended December 31, 1926, have verified the cash and securities belonging to the Company and have been furnished with vouchers for all expenditures. I have obtained all necessary information and explanations, and the above statement, in my opinion, sets forth correctly the condition of the Company's affairs at the above date, according to the best of my information and the explanations given me, and agrees with the books of the Company.

Hamilton, Canada, February 16th, 1927.

C. S. SCOTT, F.C.A.,
of C. S. Scott & Co.,
Auditor

